

11 December 1975

MEMORANDUM FOR: [REDACTED]

SUBJECT : Contracts [REDACTED]

1. Bill Slingland called me at 1145 today, the rest of this memorandum is a record of our conversation.

2. Bill asked if I would discuss the cable sent to AMPEX on 4 December 1975. I said no, he should discuss it with [REDACTED]. He then asked if he could discuss error rates and I said yes.

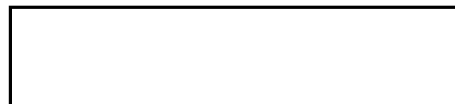
3. Bill wanted to know where we had gotten the error specifications that were stated in [REDACTED] letter and how had the rate of 70 lost files per day been calculated. I gave him the numbers of the sections in the proposal that state the error specification. Additionally, I told him that the calculated rate stemmed from observations recorded at the Redwood City PSAT. I also mentioned that the observed rate was much higher than the 70 we had actually quoted.

4. Bill veered back to the real reason he had called and asked how the cable was planned, initiated, and in general who started it. He said he was curious how these things are done. I said I didn't know. He asked if I had had a part in it, I said that my activity could be only indirect and was limited to a technical report of the PSAT.

5. Bill asked with what degree of seriousness did Mr. Fitzwater view the situation. I said I couldn't speak for Mr. Fitzwater.

6. At the end of the conversation I volunteered that in view of the AMPEX performance some cage rattling was in order and Bill agreed. I also said my personal concern was what would happen to the project when Ampex runs out of our money and were they prepared to spend as much as \$2 million of Victor's money. Bill said that Victor is aware of the problem.

7. Bill finally said he looked forward to next week and asked who would be at the meeting. I told him the usual group they always see.



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COTR, Project ORACLE

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cc:

